

STRATEGIC GOAL 1

A PREPARED WORKFORCE



DOL is committed to enhancing opportunities for America's workforce by providing the tools and assistance necessary for success in today's job market to people new to the labor force or wishing to improve their potential. Special emphasis is placed on closing the employment gap for out-of-school youth, and providing long term jobs for individuals moving from welfare to work. In addition, the Department publishes crucial labor market information to support key economic and policy decisions.

Secretary Herman and President Clinton kick off the Youth Opportunity (YO!) Program.

OUTCOME GOAL 1.1 - INCREASE EMPLOYMENT, EARNINGS, AND ASSISTANCE

OVERVIEW

The origin of public programs addressing the need to increase employment, earnings, and assistance may be traced back to the original War on Poverty, with the passage of the Economic Opportunity Act – an attempt to open the door to the American dream of economic self-sufficiency to those who have been disenfranchised, disadvantaged, and largely forgotten. For too many Americans, this dream is still unfulfilled. As 1999 concludes, the economy is booming and unemployment is low. Even though millions of Americans are enjoying economic success, not everyone is sharing in the prosperity. Among those at risk of remaining in the pockets of poverty are individuals in distressed communities – low income adults, welfare recipients, and veterans who are struggling with homelessness, service-connected disabilities, and readjustment to civilian life.

SERVING THE PUBLIC

The Employment and Training Administration (ETA) and Veterans' Employment and Training Service (VETS) operate a number of programs focused on bridging the gaps and breaking the cycles that lead to poverty and despair.

- Programs established under the Job Training Partnership Act (JTPA) Title II-A prepare economically disadvantaged adults for participation in the labor force by increasing their occupational and educational skills, resulting in improved long-term employability, increased employment and earnings, and reduced welfare dependency.
- Welfare-to-Work programs provide welfare recipients with job readiness services, transitional employment activities, job placement services, post-employment services, and other supportive services necessary to make the successful transition into long-term unsubsidized employment and economic self-sufficiency.
- VETS programs target veterans requiring special assistance, such as those who are disabled or homeless, veterans receiving welfare, minority and older veterans, as well as younger veterans recently released from active service. These groups often have unemployment rates well above the national average. Many programs are coordinated with local agencies and involve collaboration with private businesses to provide the services these veterans need.

DOL CHALLENGES FOR THE FUTURE

Earnings and employment measures have been steadily improving in recent years. DOL anticipates continued progress in achieving the goals of increasing earnings, employment, and assistance to the target populations served by the DOL programs described above. By July 1, 2000, DOL will complete its transition from JTPA to the Workforce Investment Act (WIA). While moving from one governing statute to another presents some administrative hurdles, WIA affords the Department an opportunity to strengthen services provided to adult workers through key components such as local Workforce Investment Boards and private sector involvement.

WELFARE-TO-WORK (WtW) PROGRAM: UNSUBSIDIZED JOB PLACEMENTS FOR HARD-TO- SERVE WELFARE RECIPIENTS

Goal 1.1A: 56 percent of WtW program trainees will be placed in unsubsidized employment.

Results: 73 percent of WtW program trainees were placed into unsubsidized employment.

The unsubsidized placement rate of WtW program trainees, as of the quarter ending September 30, 1999, was 17 percentage points higher than the FY 1999 goal. Trainees are defined as those participants placed into unsubsidized jobs, plus those participants leaving the program without a job. Participants in subsidized jobs or those undertaking other program-funded work activities (such as work experience or community service) were not counted as having terminated WtW.

Program Description: The DOL WtW program began in FY 1998 by issuing grants to States and local communities to increase job opportunities for the hard-to-employ recipients of Temporary Assistance for Needy Families (TANF). Grantees provide welfare recipients with job readiness services, transitional employment activities, job placement services, post-employment services, and other supportive services needed by participants to make the successful progression into long-term unsubsidized employment and achieve economic self-sufficiency.

Analysis of Results: A number of factors contributed to the achievement of the FY 1999 unsubsidized placement goal: (1) innovative strategies to facilitate cross-system

collaboration and integrated service delivery at Federal, State, and local levels; (2) aggressive marketing and new outreach initiatives to potential participants and the business/ employer community; (3) transitional subsidized employment opportunities such as community service and work experience; and (4) innovative and comprehensive supportive services, such as off-hours child care and transportation, substance abuse treatment, and services for individuals with disabilities.

Strategies: The initial legislated WtW program eligibility and design features proved to be overly complex and not reflective of those individuals remaining on the welfare rolls. On November 29, 1999, Congress enacted legislative amendments to the eligibility criteria and made other programmatic changes which are expected to improve the original program's overly-restrictive eligibility and design features and enhance performance. The new amendments became effective in January for grantees awarded funds on a competitive basis and will take effect this July for grantees awarded funds on the basis of a statutory formula.

Goal Assessment and Future Plans:

In FY 2000, the program focus will shift toward intensive technical assistance, system-building, and oversight efforts. The design and implementation of the "next generation" of WtW programs will seek to provide wider opportunities for self-sufficiency for the hardest-to-serve, the working poor and their families, noncustodial parents, and other under-served and low-income groups.

In FY 2000, the program will measure participants' retention in the

workforce and changes in earnings two quarters after placement in unsubsidized employment.

Audits and Evaluations: Four significant evaluations of the WtW program took place in FY 1999. Mathematica Policy Research, Inc. published the first report of its ongoing evaluation of the effectiveness of WtW initiatives. The Office of the Inspector General (OIG) performed three surveys of WtW formula and competitive grantees to assess the capability of grantees' operating systems to deliver WtW services. Appendix 3, items 1 through 4 provide further information on these evaluations. ■